

Gross government debt in the EU countries, 1980-2003

	1980	1990	1995	2000	2001	2002	2003
Belgium	78.6	129.2	133.9	109.2	107.6	105.6	101.7
Denmark	36.5	57.8	69.3	46.8	44.7	44.0	42.4
Germany	31.7	43.5	57.0	60.2	59.5	60.9	61.8
Greece	25.0	79.6	108.7	106.2	107.0	105.8	102.0
Spain	16.8	43.6	63.9	60.5	57.1	55.0	53.2
France	19.8	35.1	54.6	57.3	57.3	58.6	59.3
Ireland	75.2	101.5	82.6	39.1	36.4	35.3	35.0
Italy	58.2	97.2	123.2	110.6	109.9	110.3	108.0
Luxembourg	9.3	4.4	5.6	5.6	5.6	4.6	3.9
Netherlands	46.0	77.0	77.2	55.8	52.8	51.0	50.1
Austria	36.2	57.2	69.2	63.6	63.2	63.2	63.0
Portugal	32.3	58.3	64.3	53.3	55.5	57.4	58.1
Finland	11.5	14.3	57.2	44.0	43.4	42.4	41.9
Sweden	40.3	42.3	76.2	55.3	56.6	53.8	51.7
United Kingdom	53.2	34.0	51.8	42.1	39.1	38.5	38.1
Unweighted average	38.0	58.3	73.0	60.6	59.7	59.1	58.0
GDP-weighted average	38.0	54.4	70.2	64.1	63.0	63.0	62.5
Standard deviation	20.5	32.5	30.2	27.5	27.7	27.8	26.9
Coefficient of variation	0.5	0.6	0.4	0.5	0.5	0.5	0.5

Note: The 1980 and 1990 figures for Germany refer to West Germany.

Source: European Commission (2002c)

General government actual fiscal balance (net lending) as a percentage of
GDP in the EU countries

	1998	1999	2000	2001	2002	2003
Austria	-2.4	-2.3	-1.5	0.2	-1.8	-1.6
Belgium	-0.7	-0.5	0.1	0.4	-0.1	0.0
Germany	-2.2	-1.5	1.1	-2.8	-3.8	-3.1
Denmark	1.1	3.1	2.5	3.1	2.0	2.0
Spain	-2.7	-1.1	-0.6	-0.1	0.0	-0.3
Finland	1.3	1.9	7.0	4.9	3.6	3.1
France	-2.7	-1.6	-1.3	-1.4	-2.7	-2.9
Greece	-2.5	-1.9	-1.8	-1.2	-1.3	-1.1
Ireland	2.4	2.2	4.4	1.5	-1.0	-1.2
Italy	-2.8	-1.8	-0.5	-2.2	-2.4	-2.2
Luxembourg	3.1	3.6	5.6	6.1	0.5	-1.8
Netherlands	-0.8	0.7	2.2	0.1	-0.8	-1.2
Portugal	-2.6	-2.4	-2.9	-4.1	-3.4	-2.9
Sweden	1.9	1.5	3.7	4.8	1.4	1.2
United Kingdom	0.2	1.1	4.0	0.7	1.1	-1.3
GDP-weighted average	-1.6	-0.7	1.0	-0.8	-1.9	-1.8
Unweighted average	-0.6	0.1	1.5	0.7	-0.6	-0.9

Source: European Commission (2002c)

General government cyclically adjusted fiscal balance as a percentage of
GDP in the EU countries

Table 3B:

	1998	1999	2000	2001	2002	2003
Belgium	-0.6	-0.9	-1.1	-0.3	0.2	0.2
Denmark	0.5	2.5	1.3	2.6	2.1	2.1
Germany	-1.9	-1.4	-1.9	-2.8	-3.3	-2.4
Greece	-1.9	-1.6	-1.8	-2.1	-1.7	-1.8
Spain	-2.6	-1.5	-1.4	-0.7	-0.1	-0.2
France	-2.6	-2.0	-2.1	-2.0	-2.7	-2.8
Ireland	1.9	0.8	2.5	0.2	-1.4	-0.8
Italy	-3.0	-1.9	-2.1	-2.4	-1.8	-1.6
Netherlands	-1.9	-1.2	-0.6	-1.2	-0.6	0.0
Austria	-2.4	-2.5	-2.5	0.0	-1.6	-1.4
Portugal	-3.0	-3.0	-4.0	-4.3	-3.0	-1.9
Finland	-0.4	0.3	3.8	3.8	3.7	3.3
Sweden	2.3	0.6	2.1	4.2	1.3	1.3
United Kingdom	-0.3	0.8	1.2	0.7	-0.6	-0.9
GDP-weighted average	-1.7	-1.0	-1.0	-1.2	-1.6	-1.4
Unweighted average	-1.1	-0.8	-0.5	-0.3	-0.7	-0.5

Source: European Commission (2002c)

Deficit levels consistent with a stable debt-to-GDP ratio

Nominal growth rate	Debt-to-GDP-ratio				
	60	70	80	90	100
3 %	1.7	2.0	2.3	2.6	2.9
4 %	2.3	2.7	3.1	3.5	3.8
5 %	2.9	3.3	3.8	4.3	4.8

Note: The change in the debt-to-GDP ratio, d , is given by $\Delta d_t = -b_t - \phi / (1 + \phi) d_{t-1}$, where b is the budget balance in percent of GDP and ϕ is the rate of growth of nominal GDP. The deficits in the table are obtained by setting $\Delta d_t = 0$ and solving for b_t .

Possible ways of conditioning the deficit ceiling on the debt ratio

Debt ratio (percent of GDP)	Deficit ceiling (percent of GDP)		
	Rule 1	Rule 2	Countries in the range 2002
> 105	3.0	0.5	Belgium, Greece, Italy
95 - 105	3.0	1.0	
85 - 95	3.0	1.5	
75 - 85	3.0	2.0	<i>Bulgaria</i>
65 - 75	3.0	2.5	
55 - 65	3.0	3.0	Portugal, France, Germany, Austria, <i>Hungary</i>
45 - 55	3.5	3.5	Netherlands, Sweden, Spain, <i>Poland</i>
35 - 45	4.0	4.0	Ireland, UK, Finland, Denmark, <i>Slovakia</i>
25 - 35	4.5	4.5	<i>Slovenia</i>
< 25	5.0	5.0	Luxembourg, <i>Estonia, Latvia, Czech Republic, Romania, Lithuania</i>

Note: Accession countries in italics. For these countries the debt data refer to 2001.